

Exhibit 25

Nick Kos

London, U.K.

May 28, 2014

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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

U.S. SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

Civil Action No.
11-Civ-9645 (RJS)

ELEK STRAUB,
ANDRAS BALOGH, and
TAMAS MORVAI,

Defendants.

VIDEOTAPED DEPOSITION OF NICK KOS
Wednesday, May 28, 2014
AT: 10:02 a.m.

Taken at:

The offices of Nabarro LLP
Lacon House
84 Theobald's Road
London WC1X 8RW

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<p style="text-align: right;">Page 38</p> <p>1 the basis for these objections</p> <p>2 MR INFELISE: All right Do you want to have a standing</p> <p>3 relevance objection? Although I don't think it's</p> <p>4 necessary, because the only purpose here is to object on</p> <p>5 form</p> <p>6 MR KOENIG: I think the potential problem is the use to</p> <p>7 which this deposition and the video and the transcript</p> <p>8 may put to use</p> <p>9 MR INFELISE: It's an issue of relevance</p> <p>10 MR KOENIG: Yeah, but I'm -- I'm not sure we can do</p> <p>11 a standing objection I think, for the purposes that</p> <p>12 this tape or transcript may be used, we have to object</p> <p>13 on a question-by-question basis</p> <p>14 So I understand and appreciate your willingness to</p> <p>15 do that; in the normal course of things, it would be</p> <p>16 fine But given the way this matter may proceed, and</p> <p>17 the way the trial may proceed, and the use to which this</p> <p>18 transcript and/or video may be put, I think we have to</p> <p>19 object on a question-by-question basis</p> <p>20 MR DODGE: Now, why is that exactly? I mean, under the</p> <p>21 federal rules --</p> <p>22 MR INFELISE: Excuse me one second Let's take a break; go</p> <p>23 off the record</p> <p>24 VIDEOGRAPHER: Going off the record at 20 to 11</p> <p>25 Recording has stopped</p>	<p style="text-align: right;">Page 40</p> <p>1 MR. KOENIG: I'm sorry, size of what?</p> <p>2 A. Size, financial size.</p> <p>3 BY MR. INFELISE:</p> <p>4 Q. And the counterparties; correct?</p> <p>5 A. And the counterparties.</p> <p>6 Q. What did you do when Mr. Trow brought your attention --</p> <p>7 to your attention the Sigma and Rawleigh contracts?</p> <p>8 A. I beg your pardon? What did I do when it was --</p> <p>9 Q. What did you do, yes, sir.</p> <p>10 A. -- brought to my attention?</p> <p>11 We -- we discussed those contracts. I asked them</p> <p>12 to -- to do some more research into those contracts, and</p> <p>13 I also had a conversation with their forensic people and</p> <p>14 asked them to do some research into the counterparties.</p> <p>15 Q. Did you actually see either the Rawleigh or Sigma</p> <p>16 contracts?</p> <p>17 A. I did not see those contracts at that point in time,</p> <p>18 I don't believe.</p> <p>19 Q. All right. Do you recall approximately the point in</p> <p>20 time when Mr. Trow brought these contracts to your</p> <p>21 attention?</p> <p>22 A. Very early January.</p> <p>23 Q. Of --</p> <p>24 A. 2006.</p> <p>25 Q. 2006; okay.</p>
<p style="text-align: right;">Page 39</p> <p>1 (A break was taken.)</p> <p>2 VIDEOGRAPHER: We're back on the record at 10:54.</p> <p>3 MR. INFELISE: First let me state that we have discussed the</p> <p>4 issue of objections to reference to Montenegro with the</p> <p>5 defense, and we've agreed and recognized that they have</p> <p>6 a standing objection to relevance, and we agree that</p> <p>7 preserves any objection they might have to relevance at</p> <p>8 a later time. Is that a fair statement?</p> <p>9 MR. HILL: That's fine.</p> <p>10 MR. INFELISE: All right. Thank you.</p> <p>11 Q. All right, Mr. Kos, before we broke, I'd asked you about</p> <p>12 two contracts, or you mentioned two contracts, one</p> <p>13 involving Sigma and one involving Rawleigh. How did you</p> <p>14 learn of those contracts?</p> <p>15 A. I learned of those contracts from Mr. Trow.</p> <p>16 Q. And what did Mr. Trow tell you?</p> <p>17 A. Mr. Trow told me he was concerned about those two</p> <p>18 contracts.</p> <p>19 Q. Did he say why he was concerned about them?</p> <p>20 MR. HILL: Objection.</p> <p>21 A. He did.</p> <p>22 BY MR. INFELISE:</p> <p>23 Q. What did he tell you?</p> <p>24 A. He told me he was concerned about the size of the</p> <p>25 contracts, and the counterparties to the contracts.</p>	<p style="text-align: right;">Page 41</p> <p>1 MS. FRIED: I'm sorry, I -- I didn't hear that.</p> <p>2 WITNESS: "Very early January 2006."</p> <p>3 BY MR. INFELISE:</p> <p>4 Q. Sir, I'm going to show what we've previously marked as</p> <p>5 plaintiff's exhibit number 73 and ask you to take</p> <p>6 a moment and look through it.</p> <p>7 Have you had a chance to look at exhibit number 73,</p> <p>8 Mr. Kos?</p> <p>9 A. Yes.</p> <p>10 Q. Do you recognize the document?</p> <p>11 A. Yes.</p> <p>12 Q. What is it?</p> <p>13 A. It's a consultancy agreement between Telekom Montenegro</p> <p>14 and Sigma Inter Corp.</p> <p>15 Q. Do you recall whether this is the agreement,</p> <p>16 consultancy agreement, that Mr. Trow brought to your</p> <p>17 attention back in January 2006?</p> <p>18 A. It would appear to be, yes.</p> <p>19 Q. All right. And did you ultimately obtain a copy of this</p> <p>20 contract to review yourself?</p> <p>21 A. I may well have. I can't remember exactly when that</p> <p>22 would have been or in what detail I reviewed that</p> <p>23 contract.</p> <p>24 Q. All right. If you would turn to the -- excuse me; it's</p> <p>25 the third page of the document. The Bates number, as</p>

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<p>1 Q. Did you attempt to obtain a copy of the report from</p> <p>2 Mr. Morvai?</p> <p>3 A. Yes.</p> <p>4 Q. Do you recall approximately when that was?</p> <p>5 A. Within a number of days, I believe, of the initial</p> <p>6 conversation that I had with Mr. Trow. So</p> <p>7 early-to-mid-January 2006.</p> <p>8 Q. All right. And were you able to obtain a copy of the</p> <p>9 report from Mr. Morvai?</p> <p>10 A. No.</p> <p>11 Q. Did you speak with Mr. Morvai concerning the report?</p> <p>12 A. Yes.</p> <p>13 Q. And do you recall the circumstances under which you were</p> <p>14 able to actually make contact with Mr. Morvai?</p> <p>15 A. Yes, I -- I do. It's -- it's somewhat hazy, but</p> <p>16 I recollect that subsequent to my meeting with the CFO,</p> <p>17 I was told that Mr. Morvai would -- would arrange for me</p> <p>18 to receive a copy. I believe we had some contact</p> <p>19 regarding the timing of -- of the arrival of that report</p> <p>20 in Budapest. We agreed, I believe, on a -- on a time</p> <p>21 when that would be available.</p> <p>22 I was told then that Mr. Morvai was out of the</p> <p>23 office for a week, I believe. I went -- I was in the</p> <p>24 building, on that day, I went to his office. His</p> <p>25 assistant, I think, either told me at that point of time</p>	<p>1 A. The report was -- was, from my perspective, quite</p> <p>2 limited in size. It seemed to be quite straightforward</p> <p>3 information, so I passed it to one of my colleagues to</p> <p>4 review.</p> <p>5 Q. All right. After you learned of the Sigma and the</p> <p>6 Rawleigh contracts, did you have any discussions with</p> <p>7 other individuals at Magyar concerning those two</p> <p>8 consultancy agreements?</p> <p>9 A. Yes.</p> <p>10 Q. Who?</p> <p>11 A. After internal consultation with our risk management and</p> <p>12 our forensic people, it was decided that I should</p> <p>13 discuss the matters with the chief financial officer of</p> <p>14 Magyar -- Magyar Telekom.</p> <p>15 Q. And at that time, in January 2006, who was the chief --</p> <p>16 A. Klaus --</p> <p>17 Q. -- financial officer?</p> <p>18 A. Sorry.</p> <p>19 Dr. Klaus Hartmann.</p> <p>20 Q. All right. And did you discuss those contracts, the</p> <p>21 Rawleigh and Sigma contracts, with Mr. Hartmann?</p> <p>22 A. Yes.</p> <p>23 Q. What did you say?</p> <p>24 A. I beg your pardon?</p> <p>25 Q. What did you tell him?</p>
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<p>1 or previously that he was out of the office for a week.</p> <p>2 I noticed that his computer was on in his office.</p> <p>3 I also had been talking to one of the other</p> <p>4 financial people, who was at, I believe, an all-staff or</p> <p>5 a senior management conference day; he told me</p> <p>6 Mr. Morvai was there.</p> <p>7 As I was leaving the building, he came back into --</p> <p>8 into the building.</p> <p>9 Q. "He" being -- who?</p> <p>10 A. Mr. Morvai.</p> <p>11 I asked him about the report, and he told me that</p> <p>12 the report had been sent back to Montenegro because</p> <p>13 there was an investigation about to be started.</p> <p>14 Q. So Mr. Morvai did not provide you a copy of the report?</p> <p>15 A. No.</p> <p>16 Q. Did you ever get a chance to see the report?</p> <p>17 A. Yes.</p> <p>18 Q. Do you recall when that was?</p> <p>19 A. Some weeks afterwards, I believe, I received a copy of</p> <p>20 -- of the report from the investigation team, or -- or</p> <p>21 through the -- the audit committee.</p> <p>22 Q. Did you get a chance to actually read through the</p> <p>23 report?</p> <p>24 A. Yes.</p> <p>25 Q. What was your reaction to the report?</p>	<p>1 A. I expressed my concerns about these two contracts and</p> <p>2 the nature of them, the matters that I referred to</p> <p>3 earlier. I expressed my surprise that -- that the</p> <p>4 subsidiary would be engaging outside parties to perform</p> <p>5 some of those activities, when -- when our understanding</p> <p>6 was internally, within the Group and within the Deutsche</p> <p>7 Telekom Group, there were significant capabilities</p> <p>8 regarding this sort of research and -- and so on.</p> <p>9 I expressed -- and I'm not sure whether at that</p> <p>10 point in time I already had -- I didn't have a review of</p> <p>11 the -- I didn't have the report; so that was later on.</p> <p>12 And -- and generally, we expressed concern about the</p> <p>13 level of authorization that was related to those</p> <p>14 contracts, because they had been authorized by senior</p> <p>15 officers of the group, through their relationship to --</p> <p>16 to the Montenegro companies in their capacity,</p> <p>17 I believe, as board members.</p> <p>18 And also we were aware of -- of senior officers</p> <p>19 being present at the meeting when they were approved,</p> <p>20 so -- so that added to the -- the concern. Dr. Hartmann</p> <p>21 accepted our concerns and -- and expressed surprise that</p> <p>22 the Montenegrin companies were making such expenditures</p> <p>23 when they'd recently asked for funding to pay for some</p> <p>24 other issues that they -- that they had.</p> <p>25 Q. Now, I think you said it was your understanding that</p>

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<p>1 senior officers of Magyar were present when the -- these</p> <p>2 contracts were authorized?</p> <p>3 A. Yes.</p> <p>4 Q. And do you know what senior officers were present?</p> <p>5 A. Tamas Morvai was a member of the board and signed the</p> <p>6 contract, as we've seen. I remember that Zoltan</p> <p>7 Tisza, I think, who was a senior officer of the group,</p> <p>8 was also on the board. I recollect that Andras Balogh,</p> <p>9 I believe, may have been at this meeting, if I am not</p> <p>10 mistaken, and I believe the CEO of the Magyar -- of the</p> <p>11 Hungarian mobile business, of the Magyar Telekom mobile</p> <p>12 business, was also a member of the board, if I correctly</p> <p>13 recollect.</p> <p>14 Q. If you look at plaintiff's exhibit number 74, the</p> <p>15 contract between Rawleigh Trading and Monet. And if</p> <p>16 you'd look at page 6, it's Bates-numbered</p> <p>17 MT DOJ/SEC005370. The two signatures appear on behalf</p> <p>18 of -- I guess TCG; one is Mr. Ivanovic, and the other is</p> <p>19 Mr. Obradovic. So Mr. Morvai didn't sign this contract?</p> <p>20 A. That's correct.</p> <p>21 Q. When you said that you were -- talked about at least one</p> <p>22 of the senior members authorizing this, were you</p> <p>23 referring to plaintiff's exhibit number 73, the contract</p> <p>24 with Sigma?</p> <p>25 A. In terms of signing the contract, that's correct, yes.</p>	<p>1 A. Yes.</p> <p>2 Q. And during the course of that meeting, was there any</p> <p>3 discussion of the Sigma and Rawleigh contracts?</p> <p>4 A. Yes.</p> <p>5 Q. And do you recall -- well, let me ask you first: Did</p> <p>6 you make any comments during that meeting concerning</p> <p>7 those two contracts?</p> <p>8 A. Yes.</p> <p>9 Q. Was there anybody else who spoke at that board meeting</p> <p>10 concerning those -- the Rawleigh and the Sigma</p> <p>11 contracts?</p> <p>12 A. Yes.</p> <p>13 Q. Do you recall who they were?</p> <p>14 A. I -- I do clearly recollect Mr. Straub talking about</p> <p>15 those two contracts.</p> <p>16 Q. And do you recall what Mr. Straub said concerning the</p> <p>17 Rawleigh and Sigma contracts?</p> <p>18 A. Yes.</p> <p>19 Q. What did he say?</p> <p>20 A. Mr. Straub mentioned that he had traveled to Montenegro,</p> <p>21 I think the previous day, or -- or just prior to that,</p> <p>22 to discuss with the management of the Montenegro</p> <p>23 companies these two contracts. He explained that the</p> <p>24 management were extremely concerned; they felt very much</p> <p>25 threatened by PwC's comments. And he made it very clear</p>
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<p>1 Q. Yes, sir. All right.</p> <p>2 Other than Mr. Hartmann, did you discuss the Sigma</p> <p>3 and Rawleigh contracts with any other of the officers of</p> <p>4 Magyar Telekom?</p> <p>5 A. The initial meeting was -- was with Dr. Hartmann.</p> <p>6 I think a day or two after that, we met with the</p> <p>7 chairman of the audit committee, and I think the head of</p> <p>8 internal audit of Magyar Telekom.</p> <p>9 Q. Do you recall, who was the chairman of the audit</p> <p>10 committee at that time?</p> <p>11 A. Adam Farkas.</p> <p>12 Q. Did you have any discussions with Mr. Straub?</p> <p>13 A. I don't believe I had any discussions with Mr. Straub</p> <p>14 directly, no.</p> <p>15 Q. Did you have any discussions with Mr. Balogh concerning</p> <p>16 the Sigma and the Rawleigh contracts?</p> <p>17 A. I don't recollect having any such discussions with</p> <p>18 Mr. Balogh at that time.</p> <p>19 Q. Other than your contact with Mr. Morvai to obtain a copy</p> <p>20 of the report from the -- I believe the Rawleigh</p> <p>21 contract, did you have any other discussions with him</p> <p>22 concerning the Sigma and Rawleigh contracts?</p> <p>23 A. I don't recollect any other discussions.</p> <p>24 Q. Sir, do you recall attending a board meeting of Magyar</p> <p>25 Telekom in February of 2006?</p>	<p>1 that -- that he believed that PwC had caused damage to</p> <p>2 the company by not reporting these contracts earlier.</p> <p>3 Q. All right. And did you respond to Mr. Straub during</p> <p>4 that meeting?</p> <p>5 A. I may well have. I think that's in the minutes.</p> <p>6 I can't recollect exactly what I said, but I do remember</p> <p>7 that -- that counsel for the company did respond to</p> <p>8 Mr. Straub with regard to his statement.</p> <p>9 Q. And you -- but you say that you also made a statement</p> <p>10 concerning the Sigma and Rawleigh contracts?</p> <p>11 A. Yes.</p> <p>12 Q. Do you recall the substance of those comments?</p> <p>13 A. Yes. In -- in substance, we -- we explained that we had</p> <p>14 been made aware of -- of these two contracts because of</p> <p>15 the high-level nature of -- of people involved with the</p> <p>16 approval of these contracts; and because of the</p> <p>17 closeness in the relationship to some of those to the</p> <p>18 CEO and the senior officers of the company, we didn't</p> <p>19 believe we were in a position to accept their</p> <p>20 representation. And so until such time there was</p> <p>21 clarity around those matters and an appropriate</p> <p>22 investigation had been carried out, we would not be in</p> <p>23 a position to sign off on the financial statements.</p> <p>24 Q. And when you say certain senior members of the company</p> <p>25 were close to it, which company are you talking about?</p>

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<p>1 the 2005 audit, and of your audit of Magyar, did he ever</p> <p>2 tell you that Magyar had decided, intentionally, not to</p> <p>3 include signed copies of protocols of cooperation in its</p> <p>4 books and records?</p> <p>5 MR. HILL: Objection.</p> <p>6 MS. FRIED: Objection.</p> <p>7 A. No.</p> <p>8 BY MR. INFELISE:</p> <p>9 Q. During the course of the 2005 audit of Magyar, did</p> <p>10 Mr. Straub ever tell that you Magyar intentionally</p> <p>11 decided not to include copies of protocols of</p> <p>12 cooperation, plaintiff's exhibits 11 and 12, in its</p> <p>13 books and records?</p> <p>14 MS. FRIED: Objection.</p> <p>15 A. No.</p> <p>16 BY MR. INFELISE:</p> <p>17 Q. During the course of the audit of 2005, end-of-year</p> <p>18 audit of Magyar, did Mr. Balogh ever tell you that</p> <p>19 Magyar intentionally decided not to include copies of</p> <p>20 the protocols of cooperation, plaintiff's exhibits</p> <p>21 11 and 12, in its books and records?</p> <p>22 MR. HILL: Objection.</p> <p>23 A. No.</p> <p>24 BY MR. INFELISE:</p> <p>25 Q. All right, sir. If you would now go back to plaintiff's</p>	<p>1 "... the purpose of determining whether any material</p> <p>2 modification should be made to the interim consolidated</p> <p>3 financial statements for them to confirm with</p> <p>4 International Financial Reporting Standards..."</p> <p>5 We -- we were not able to evaluate the impact of --</p> <p>6 of these protocols and whether they would have made --</p> <p>7 required any modifications to the financial statements.</p> <p>8 They should have been evaluated for that purpose.</p> <p>9 "We confirm that we are responsible for the fair</p> <p>10 presentation in the interim consolidated financial</p> <p>11 statements..."</p> <p>12 I can't make a determination -- the determination</p> <p>13 whether or not these protocols would have impacted the</p> <p>14 fair presentation.</p> <p>15 Q. And, sir, what you're reading from is plaintiff's</p> <p>16 exhibit number 19?</p> <p>17 A. Number 19, yes.</p> <p>18 Q. Thank you.</p> <p>19 A. But similarly, the same clause is in 20.</p> <p>20 Q. All right.</p> <p>21 A. Unless -- if you want me to go through it separately,</p> <p>22 I can do that; that's -- that's fine.</p> <p>23 Q. Only -- only to the extent that there may be</p> <p>24 a difference. Otherwise, you can just indicate that</p> <p>25 your comments would apply to 19 and 20.</p>
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<p>1 exhibit 19 and 20, which I believe were the management</p> <p>2 representation letters, the first ones I showed you.</p> <p>3 Having had a chance to look at plaintiff's</p> <p>4 exhibits 11, 12, 13 and 14, sir, did the existence of</p> <p>5 those documents and those emails in any way affect any</p> <p>6 of the statements that were made by Magyar with respect</p> <p>7 to those interim audits in 2005?</p> <p>8 MR. HILL: Objection.</p> <p>9 A. Yes.</p> <p>10 BY MR. INFELISE:</p> <p>11 Q. Are there any specific representations that would be</p> <p>12 relevant here?</p> <p>13 MS. FRIED: Objection.</p> <p>14 A. I need to check the date -- it's May 2005, yeah.</p> <p>15 So, because these existed in the second quarter,</p> <p>16 then potentially they would have had an impact on the</p> <p>17 financial statements.</p> <p>18 BY MR. INFELISE:</p> <p>19 Q. "These" being plaintiff's exhibits 11 and 12?</p> <p>20 A. 11 and 12.</p> <p>21 Q. Okay. Thank you.</p> <p>22 A. They may have impact on the financial statements that</p> <p>23 were referenced in these two representation letters, so</p> <p>24 both the second quarter and the third quarter of 2005.</p> <p>25 At the beginning, it talks about:</p>	<p>1 A. Okay. Number 2:</p> <p>2 "The interim consolidated financial statements</p> <p>3 referred to above are fairly presented in conformity</p> <p>4 with IFRS."</p> <p>5 That may be impacted by the protocols, for the</p> <p>6 reasons that we've outlined before.</p> <p>7 Number 4 -- I'm ignoring number 3, because we didn't</p> <p>8 have any unadjusted differences related to the protocol,</p> <p>9 because we didn't review them.</p> <p>10 Number 4:</p> <p>11 "[We've] made available to you ...</p> <p>12 "... All financial records and related data."</p> <p>13 I believe that this was not provided to us.</p> <p>14 I believe it should have been provided to us in the</p> <p>15 normal course of the audit, and -- and the purpose of --</p> <p>16 I think, clearly, the purpose of this representation in</p> <p>17 the management representation letter is to ensure that</p> <p>18 people are reminded -- management are reminded of their</p> <p>19 responsibility to provide us with -- with that sort of</p> <p>20 information and data.</p> <p>21 "There are" -- number 5:</p> <p>22 "There are no significant deficiencies, including</p> <p>23 material weaknesses in the design or operation of</p> <p>24 internal control over financial reporting that are</p> <p>25 reasonably likely to adversely affect the company's</p>

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<p>1 ability to record, process, summarize and report interim 2 financial data." 3 My understanding is that these documents, 4 11 and 12 -- 5 Q. Yes, sir. 6 A. -- were not -- 7 Q. The protocols of cooperation. 8 A. -- were not provided to us, but nor were they provided 9 to the finance department of Magyar Telekom, and 10 therefore I think the conclusion is there was 11 a deficiency in the controls which allowed those 12 documents to bypass the normal processes of -- of 13 financial statements preparation. 14 Number 6: 15 "We acknowledge our responsibility for the design 16 and implementation of programs and controls to prevent 17 and detect fraud." 18 I -- I guess that relates back to 5, in terms of the 19 controls being bypassed in this regard, and if they were 20 bypassed by the people who had the responsibility to 21 ensure the controls, then I guess that makes number 6 22 relevant as well. 23 Number 7 is not for my -- for me to determine in 24 this case. It refers back to the representation letter 25 from 2004, but I don't think these contracts were in</p>	<p>1 Q All right And would I note the page, MT-MAK 1049404-T, 2 appears to be an email from Mr Balogh to Mr Straub 3 And if you look at the next page, 1049405-T, 4 I direct your attention to the sixth bullet point, which 5 starts: 6 "Question: what to do with the individual 7 payments " 8 And you'll see a series of other bullet points below 9 this 10 A Yes 11 Q Now, let me ask you, sir: During the course of any of 12 the interim audits of Magyar in 2005, or the end-of-year 13 audit of Magyar in 2005, did Mr Straub ever discuss 14 with you an obligation for Magyar to make a payment of 15 €10 million in three installments? 16 A No 17 Q To anyone? 18 MS FRIED: Objection 19 A No 20 BY MR INFELISE: 21 Q All right And during any of the interim examinations, 22 reviews of Magyar's financial statements and the 2005 23 end-of-year audit of Magyar, did Mr Balogh ever discuss 24 with you an obligation by Magyar to make original -- 25 payments of €10 million in three installments?</p>
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<p>1 existence at that point in time 2 So from my position, on my brief overview of it, it 3 impacts the representation letter in those respects at 4 least, yes 5 Q Does the existence of plaintiff's exhibits 11, 12 and 13 6 and 14, that you were not made aware of, affect your 7 assessment of the reliability of the representations 8 that management made in plaintiff's exhibit 19 and 20? 9 MR HILL: Objection 10 A Yes 11 BY MR INFELISE: 12 Q I'm now going to show you, sir, what was previously 13 marked plaintiff's exhibit number 15 It's a multipage 14 document Again, the second and third pages are in 15 Hungarian; the fourth and fifth are in English, what we 16 believe is accurate English translations And the Bates 17 number is MT-MAK 1049404 to 4906, and MT-MAK 1049404-T 18 to 49406-T 19 And again, I think -- I believe you're looking at -- 20 I would direct your attention to the English -- 21 A English, yeah 22 Q -- translation Thank you 23 Have you had a chance to look at plaintiff's 24 exhibit number 15, sir? 25 A Yes</p>	<p>1 MR. HILL: Objection. 2 A. No. 3 BY MR. INFELISE: 4 Q. Did either Mr. Balogh or Mr. Straub ever discuss with 5 you in 2005, during any audit, the obligation to make 6 Magyar have -- to make payments to individuals? 7 MS. FRIED: Objection. 8 MR. HILL: Objection. 9 A. No. 10 BY MR. INFELISE: 11 Q. If you will look at the fourth subbullet under the sixth 12 bullet, you'll see that it says: 13 "Payment is conceivable, but we might for example 14 pay 2m EUR, 1m each to a Macedonian and Albanian 15 consultancy firm from Telemacedonia..." 16 Sir, during the course of any of the interim 17 reviews, or the 2005 end-of-year audit, Magyar's 18 financial statements, did Mr. Straub ever discuss with 19 you making payments of €2 million, 1 million each to 20 a Macedonian and an Albanian consultancy firm? 21 MS. FRIED: Objection. 22 A. No. 23 BY MR. INFELISE: 24 Q. And similarly, did Mr. Balogh ever discuss with you, 25 during either an interim review or the 2005 end-of-year</p>

21 (Pages 78 to 81)

Nick Kos

May 28, 2014

London, U.K.

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<p>1 Q. With regard to White & Case, you said you met with them</p> <p>2 several times?</p> <p>3 A. Yeah.</p> <p>4 Q. Okay. By phone and in person, or just --</p> <p>5 A. Yeah.</p> <p>6 Q. -- in person?</p> <p>7 A. Both, I guess, yeah.</p> <p>8 Q. Okay. In all the times you were -- did you meet with</p> <p>9 them in person more than twice?</p> <p>10 A. Oh, I think so, yes.</p> <p>11 Q. More than five times?</p> <p>12 A. I believe so.</p> <p>13 Q. Okay. When you were meeting with White & Case, were</p> <p>14 there people from White & Case there taking notes during</p> <p>15 the meeting? To the extent you recall.</p> <p>16 A. Certainly in the first interview, when we -- when we</p> <p>17 talked through the -- the background to --</p> <p>18 Q. And do you remember when that was?</p> <p>19 A. Early January 2006.</p> <p>20 Q. Okay. So when you met with them subsequent to that, do</p> <p>21 you know if they were --</p> <p>22 A. I -- I don't -- I don't recall that they were -- they</p> <p>23 weren't in the context of interviews; it was more in the</p> <p>24 context of audit committee meetings, briefings on the</p> <p>25 progress that we're making in regard to --</p>	<p>1 A. Yes.</p> <p>2 Q. And when you made those statements, was that before</p> <p>3 there was an internal investigation conducted by</p> <p>4 White & Case?</p> <p>5 A. Yes.</p> <p>6 Q. And when you made those statements, was that before you</p> <p>7 were aware of the findings of that investigation by</p> <p>8 White & Case?</p> <p>9 A. Yes.</p> <p>10 Q. Second, Mr. Straub's counsel asked you some questions</p> <p>11 about your interaction with Mr. Straub and whether or</p> <p>12 not you discussed basic procedures and testing</p> <p>13 procedures. And I'm not sure I recall exactly the</p> <p>14 questions, but let me ask you this, sir: If you had</p> <p>15 discussions with Mr. Straub, and he was aware that</p> <p>16 Magyar intentionally did not include contracts for</p> <p>17 protocols of cooperation with a foreign government in</p> <p>18 their books and records, would you have expected him to</p> <p>19 tell you that?</p> <p>20 MR. KOENIG: Objection.</p> <p>21 MS. FRIED: Objection.</p> <p>22 A. Yes.</p> <p>23 BY MR INFELISE:</p> <p>24 Q. And was the existence of protocols and cooperation</p> <p>25 between Magyar and a foreign government, was that</p>
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<p>1 Q. I see.</p> <p>2 A. -- the investigations, et cetera, et cetera.</p> <p>3 Q. Okay.</p> <p>4 MR. KOENIG: All right. Could I just have one second.</p> <p>5 (Discussion off the written record.)</p> <p>6 MR. KOENIG: I'm 1 minute past your 5 o'clock, but I'm done.</p> <p>7 A. Thank you. Appreciate it. Thank you.</p> <p>8 MR. INFELISE: I just have a couple of followup questions,</p> <p>9 if you don't mind.</p> <p>10 VIDEOGRAPHER: Going off the record at 2 minutes past 5.</p> <p>11 Recording has stopped.</p> <p>12 (A break was taken.)</p> <p>13 VIDEOGRAPHER: Back on the record at 2 minutes past 5.</p> <p>14 Examination by MR. INFELISE</p> <p>15 BY MR INFELISE:</p> <p>16 Q. Mr. Kos, just a couple of questions.</p> <p>17 Mr. Straub's counsel asked you some questions about</p> <p>18 statements you made in 2005 concerning your opinion of</p> <p>19 Magyar and its procedures. Let me just ask you, sir,</p> <p>20 was -- when you made those statements, were you aware of</p> <p>21 the Sigma and Rawleigh contracts?</p> <p>22 A. No.</p> <p>23 Q. And when you made those statements, was that before you</p> <p>24 stated you lost confidence in representations Mr. Straub</p> <p>25 was making to you?</p>	<p>1 information that would have been material to your audit</p> <p>2 of Magyar?</p> <p>3 MS. FRIED: Objection.</p> <p>4 MR. KOENIG: Objection.</p> <p>5 A. As we've gone through this before, the -- that</p> <p>6 determination would need to be made, but -- but they</p> <p>7 would certainly require further investigation and</p> <p>8 further questions, from our perspective.</p> <p>9 BY MR INFELISE:</p> <p>10 Q. And, sir, just to be clear, would the existence of</p> <p>11 backdated contracts entered into by Magyar's</p> <p>12 subsidiaries, would the existence of those backdated</p> <p>13 contracts have been potentially material to the audit of</p> <p>14 Magyar and its subsidiaries?</p> <p>15 A. Potentially, but that would be --</p> <p>16 MR. KOENIG: Objection.</p> <p>17 MS. FRIED: Objection.</p> <p>18 MR. HILL: Objection.</p> <p>19 A. That would be the subject of further investigation, but</p> <p>20 that would be required, yeah.</p> <p>21 BY MR INFELISE:</p> <p>22 Q. And finally, Mr. Kos, would the existence of duplicate</p> <p>23 contracts, where two subsidiaries of Magyar entered into</p> <p>24 an identical contract with the same company, on the same</p> <p>25 date, to provide the same service, would those existence</p>

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Nick Kos

May 28, 2014

London, U.K.

<p style="text-align: right;">Page 206</p> <p>1 potentially -- would those contracts be potentially</p> <p>2 material to the audit of Magyar?</p> <p>3 MS FRIED: Objection</p> <p>4 MR KOENIG: Objection</p> <p>5 A Subject to further questions and -- and investigation,</p> <p>6 yes, potentially, but</p> <p>7 MR INFELISE: Thank you, sir I have no further questions</p> <p>8 MS FRIED: I have one more question</p> <p>9 Examination by MS FRIED</p> <p>10 BY MS FRIED:</p> <p>11 Q Mr Kos, you were shown several documents today that you</p> <p>12 said were not provided to you in the context of PwC</p> <p>13 completing the 2005 audit of Magyar Telekom; is that</p> <p>14 correct?</p> <p>15 A That is correct, yeah</p> <p>16 Q Isn't it also the case that you never asked anybody at</p> <p>17 Magyar Telekom about the contents of any of those</p> <p>18 documents, or the circumstances under which they may</p> <p>19 have been created, since they were not provided to you</p> <p>20 at the time?</p> <p>21 A I'm not sure I understand the question I -- I wasn't</p> <p>22 aware of the contracts; therefore I -- I couldn't ask</p> <p>23 the question</p> <p>24 MS FRIED: I have nothing further to ask</p> <p>25 MR INFELISE: I have nothing further</p>	<p style="text-align: right;">Page 208</p> <p>1</p> <p>2</p> <p>3</p> <p>4 CERTIFICATE OF DEPONENT</p> <p>5</p> <p>6 I hereby certify that I have read and examined the</p> <p>7 foregoing transcript, and the same is a true and</p> <p>8 accurate record of the testimony given by me.</p> <p>9 Any additions or corrections that I feel are</p> <p>10 necessary, I will attach on a separate sheet of</p> <p>11 paper to the original transcript.</p> <p>12</p> <p>13</p> <p>14 _____</p> <p>15 Signature of Deponent</p> <p>16</p> <p>17 I hereby certify that the individual representing</p> <p>18 himself/herself to be the above-named individual,</p> <p>19 appeared before me this _____ day of _____,</p> <p>20 2014, and executed the above certificate in my</p> <p>21 presence.</p> <p>22</p> <p>23 _____</p> <p>24 NOTARY PUBLIC IN AND FOR</p> <p>25 _____</p>
<p style="text-align: right;">Page 207</p> <p>1 Mr Kos, thank you very much</p> <p>2 VIDEOGRAPHER: This is the end of tape 3 in volume 1 of the</p> <p>3 deposition of Nicholas Kos Going off the record at</p> <p>4 6 minutes past 5</p> <p>5 Recording has finished</p> <p>6 (Whereupon the deposition concluded)</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>	<p style="text-align: right;">Page 209</p> <p>1 County Name</p> <p>2</p> <p>3 MY COMMISSION EXPIRES:</p> <p>4 CERTIFICATE OF COURT REPORTER</p> <p>5</p> <p>6 I, FIONA FARSON, with Alderson Court Reporting, hereby</p> <p>7 certify that the testimony of the witness Nick Kos in the</p> <p>8 foregoing transcript, taken on Wednesday, May 28, 2014, was</p> <p>9 recorded by me in machine shorthand and was thereafter</p> <p>10 transcribed by me; and that the foregoing transcript is a</p> <p>11 true and accurate verbatim record of the said testimony.</p> <p>12</p> <p>13 I further certify that I am not a relative, employee,</p> <p>14 counsel or financially involved with any of the parties to</p> <p>15 the within cause, nor am I an employee or relative of any</p> <p>16 counsel for the parties, nor am I in any way interested in</p> <p>17 the outcome of the within cause.</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22 Signed:</p> <p>23 FIONA FARSON</p> <p>24 Dated: Wednesday, May 28, 2014</p> <p>25</p>

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